Schedule 13
Change Request for FY 2011-12 Budget Request Cycle

Decision Item FY 2011-12	Base Reduction Item FY 2011-12	Supplemental FY 2010-11	Budget Amendment FY 2011-12 ☑

Request Title: DPHE - Amendment 35 Cash Fund Transfer to Health Care Policy and Financing
Department: Health Care Policy and Financing
Priority Number: NP-BA 6 (DPHE NP-14)
Dept. Approval by: John Bartholomew **Date:** February 15, 2011 2/7/11
OSPB Approval: **Date:** 2/14/2011

	Fund	1 Prior-Year Actual FY 2009-10	2 Appropriation FY 2010-11	3 Supplemental Request FY 2010-11	4 Total Revised Request FY 2010-11	5 Base Request FY 2011-12	6 Decision/ Base Reduction FY 2011-12	7 November 1 Request FY 2011-12	8 Budget Amendment FY 2011-12	9 Total Revised Request FY 2011-12	10 Change from Base (Column 5) FY 2012-13
Total of All Line Items	Total	2 877 822.564	3.106.858.127	0	3.106.858.127	3.101.279,542	0	3.101.279.542	0	3.101.279 542	0
	FTE	0 0	0.0	0.0	0.0	0.0	0.0	0.0	0 0	0.0	0.0
	GF	762.936.068	700 606 422	0	700.606.422	1.079.820,226	(21.000.000)	1,058,820.226	(12.000.000)	1.046.820.226	0
	GFE	0	161.444.485	0	161.444.485	161.444 485	0	161.444.485	0	161,444.485	0
	CF	343 695 933	339.633.220	0	339 633.220	307.745,803	18.313.649	326.059.452	11.400 000	337.459.452	0
	CFE/RF	3 917.255	7.595.243	0	7.595,243	3.334 253	2.686,351	6.020 604	600,000	6 620,604	0
	FF	1 767 273 308	1 897.578.757	0	1.897.578 757	1.548 934.775	0	1.548.934 775	0	1.548.934 775	0
(2) Medical Services Premiums[a]	Total	2 877 822 564	3 106.858 127	0	3 106 858.127	3.101.279.542	0	3 101.279 542	0	3.101.279 542	0
	FTE	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0.0
	GF	762 936 068	700 606.422	0	700.606.422	1.079.820.226	(21.000.000)	1.058,820.226	(12.000.000)	1.046 820.226	0
	GFE	0	161.444 485	0	161 444.485	161.444 485	0	161.444.485	0	161.444.485	0
	CF	343 695.933	339 633.220	0	339 633.220	307.745.803	18,313.649	326.059.452	11.400.000	337.459.452	0
	CFE/RF	3 917.255	7 595 243	0	7.595 243	3.334 253	2.686.351	6.020.604	600.000	6 620 604	0
	FF	1 767 273.308	1 897 578.757	0	1.897.578 757	1.548 934.775	0	1.548.934.775	0	1.548.934.775	0

Non-Line Item Request: None

Letternote Revised Text: [a] $3 286 351 shall be from the Health Disparities Cash Fund administered by the Department of Public Health and Environment, $17.758.594 shall be from the Tobacco Education Cash Fund administered by the Department of Public Health and Environment, and $11.955.055 shall be from the Prevention Early Detection and Treatment Fund administered by the Department of Public Health and Environment

Cash or Federal Fund Name and COFRS Fund Number: CF Health Disparities Cash Fund (19F) Tobacco Education Cash Fund (18M) Prevention Early Detection and Treatment Fund (18N) FF Title XIX

Reappropriated Funds Source, by Department and Line Item Name:

Approval by OIT? Yes: ☐ No: ☐ N/A: ☑

Schedule 13s from Affected Departments: Department of Public Health and Environment

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Martha Rudolph
Executive Director

FY 2011-12 Balancing Proposal
February 15, 2011

Amendment 35 Cash Fund Transfer to Health Care Policy and Financing

Proposal Summary:
This request proposes to transfer $12,000,000 from the Amendment 35 programs at the Department of Public Health and Environment (CDPHE) to the Medical Premiums line at The Department of Health Care Policy and Financing (HCPF), to help balance the General Fund budget for FY 2011-12 only. This transfer will allow for the continued care of Colorado's citizens by funding the HCPF Medical Services Premium line. This request is in addition to the $21,000,000 transfer that was presented in the November 1, 2010 budget request for FY 2011-12.

Summary of Proposal FY 2011-12	Total Funds	Cash Funds	Reappropriated Funds	FTE
DPHE – All Lines	**($12,000,000)**	**($11,400,000)**	**($600,000)**	**(5.0)**
Personal Services and Operating	($788,110)	($570,000)	($218,110)	(5.0)
Grant Lines	($11,211,890)	($10,830,000)	($381,890)	0.0

** See Department's corresponding Schedule 13 for detail regarding specific line items*

Summary of Proposal FY 2011-12	Total Funds	Cash Funds	Reappropriated Funds	FTE
HCPF – All Lines	**($12,000,000)**	**($11,400,000)**	**($600,000)**	0.0
Medical Services Premiums	($12,000,000)	($11,400,000)	($600,000)	0.0

** See Department's corresponding Schedule 13 for detail regarding specific line items*

Impact of Recommended Reduction:
The transfer will further reduce funding for health promotion and disease prevention grants; health disparities grants; and tobacco cessation and education grants at the statewide level; beyond what was submitted on November 1, 2010. However, the critical need to provide medical services (through HCPF) is an essential component of the State's budget.

This request will reduce CDPHE's personal services and operating expenses lines of each of the programs by $788,110 and 5.0 FTE, and will reduce individual grant lines by $11,211,890. The Department will work with advisory committees for each of the grant programs to ensure that the remaining funds are allocated to grants that will maximize the effective and efficient use of the moneys. Information regarding the individual grants and their respective purposes, along with a summary of the final requested funding for individual grant lines is shown below:

Name of Fund/Program	Table 1 - Purpose of Fund/Program
Prevention, Early Detection and Treatment Fund (18N)	Money in the fund, after the required transfers for Breast and Cervical Cancer Screenings and Treatment, for Medicaid Disease Management and to the Office of Health Disparities, is used to provide grants for screening and early detection of cancer, heart and pulmonary disease. Grants typically run in three year cycles. 16% of Amendment 35 tobacco tax revenues go to this fund on an annual basis.
Tobacco Education Program Fund (18M)	This fund is used to reduce the initiation of tobacco use by children, promote cessation among all ages and reduce exposure to second hand smoke. The funds are to be used for evidence based grant programs only. 16% of the annual Amendment 35 tobacco tax revenue is currently deposited into this fund.
Breast and Cervical Cancer Screening	The money comes from the Prevention, Early Detection and Treatment Fund. The funding is used to provide breast and cervical cancer screenings (i.e. mammograms, pap smears) for eligible women. To be eligible for screenings under this program, women must be 40-64 years of age, at or below 250% of the Federal Poverty Level, uninsured or underinsured and lawfully present in the United States. 20% of the 16% of the annual Amendment 35 tobacco tax revenue that is deposited to the Prevention, Early Detection and Treatment Fund is appropriated for Breast and Cervical Cancer screenings and treatment. There is a limit of $5 million per year on the appropriation.
Health Disparities Grant Program Fund (19F)	This fund is used to provide grants to local communities to improve the health status of minority and ethnic populations impacted by health disparities. The funds are to be used for evidence based grant programs only. 15% of the 16% of the annual Amendment 35 tobacco tax revenue that is deposited to the Prevention, Early Detection and Treatment Fund is deposited into this fund (2.4% of the total Amendment 35 revenue is deposited into the Health Disparities Grant Program Fund).

Summary of Proposal FY 2011-12: CDPHE Grant Line Impacts	November 1 Request	Additional Reduction Requested	February 15 Request
(1) Administration and Support, (B) Special Health Programs, Health Disparities Grants	$905,305	($381,890)	$523,415
(9) Prevention Services Division, (A) Prevention Programs, (1) Programs and Administration, Cancer, Cardiovascular Disease, and Pulmonary Disease Grants	$8,734,104	($5,956,000)	$2,778,104
(9) Prevention Services Division, (A) Prevention Programs, (3) Chronic Disease and Cancer Prevention Grants Program, Breast and Cervical Cancer Screening	$3,661,660	($1,625,000)	$2,036,660
(9) Prevention Services Division, (A) Prevention Programs, (5) Tobacco Education, Prevention, and Cessation, Tobacco Education, Prevention, and Cessation Grants	$8,795,358	($3,249,000)	$5,546,358

Assumptions:
The following charts summarize individual cash fund balances for each of the funds potentially affected by this proposal.

Cash Fund Name	FY 2009-10 Expenditures	FY 2009-10 End of Year Cash Balance	FY 2010-11 End of Year Cash Balance Estimate*	FY 2011-12 End of Year Cash Balance Estimate	FY 2012-13 End of Year Cash Balance Estimate
Health Disparities Cash Fund (19F)	$5,722,020	$3,665,430	$535,427	$0	$0
Tobacco Education Cash Fund (18M)	$27,207,592	$2,625,483	$1,167,266	$190,375	$0
Prevention, Early Detection and Treatment Fund (18N)	$44,270,759	$4,291,879	$1,608,205	$299,267	$0

*FY 2010-11 End of Year Cash Balance Estimates are actual available cash balances. The Schedule 9 shows liabilities (accounts payable) as part of the cash balance. These numbers differ from the fund balance by the amount of accounts payable that each program is anticipating at the end of FY 2010-11.

Fund	FY 10-11 Year End Cash Balance	FY 11-12 Revenue Forecast*	Obligations for FY 11-12	FY 11-12 Funds Available for Transfer	Requested Transfers	FY 11-12 Estimated Fund Balance
Columns	A	B	C	D		
Calculation	= C + D - E			= A + B - C		
19F	$535,427	$3,576,000	$825,076	$3,286,351	$3,286,351	$0
18M	$1,167,266	$23,400,000	$6,618,297	$17,948,969	$17,758,594	$190,375
18N	$1,608,205	$23,400,000	$12,753,883	$12,254,322	$11,955,055	$299,267
Total	**$3,310,898**	**$50,376,000**	**$20,197,256**	**$33,489,642**	**$33,000,000**	**$489,642**

*All revenue forecast assumptions are per the June 2010 Legislative Council Revenue Forecast.

1. Projected expenditures of $12,753,883 from the Prevention, Early Detection and Treatment Fund (18N) include:
   a. Transfer to HCPF for Disease Management, $2,000,000
   b. Transfer to the Health Disparities Fund $3,576,000
   c. Transfer to Health Care Policy and Financing for Breast and Cervical Cancer Treatment $1,215,340
   d. Breast and Cervical Cancer Screening $2,036,660
   e. Personal Services, Operating, and Indirect $1,147,779
   f. Grants to continue a baseline program and maintain community infrastructure $2,778,104.

2. Projected expenditures of $6,618,297 from the Tobacco Education Fund (18M) include:
   a. Personal Services, Operating and Indirect $1,071,939
   b. Grants to continue a baseline program and maintain community infrastructure $5,546,358. These grants include potential funding of the Quitline. Specific funding for the Quitline will be determined by the review committee and recommended to the Board of Health for approval.

3. Projected expenditures of $825,076 from the Health Disparities Fund (19F) include:
   a. Personal Services, Operating and Indirect $301,661.
   b. Grants to continue a baseline program and maintain community infrastructure $523,415.

Current Statutory Authority or Needed Statutory Change:
Statutory changes to 24-22-117 will be necessary to divert the revenues from the funds in FY 2011-12. Furthermore, a fiscal emergency will need to be declared in order for the funding to be transferred.